

# Conducting Political Economy Analysis in fragile states: Lessons Learnt from the DRC

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February 2016

## Key Points

- Political economy analysis (PEA) is a research approach that international development actors, in particular donors and their Implementing Partners, find useful given its focus on understanding the political realities that facilitate and constrain programming.
- PEA is a particularly useful tool in fragile states such as the DRC, given the abundance of informal and relationship-based political and economic networks. PEA, when done well, analyses how these informal networks mobilise to achieve desired outcomes, often through bypassing formal rules and structures.
- Key recommendations for conducting PEA studies driven by field research:
  - Maximise opportunities for regular communication between the research team and agency staff, beginning with significant engagement of the agency in the design of the research plan in order to establish a common understanding of the scope and purpose of the work.
  - Submit the research plan, including detailed information about the chosen methods, to experts that are external to the research process to provide quality assurance on the applicability and relevance of the research questions and tools.
  - Assemble teams comprising both international and national researchers to encourage mutual learning of PEA research design that is both rigorous and sensitive to context, and in order to broaden access to research participants.
  - Create a dissemination plan as part of the research design process, ensuring there is a concrete strategy in place for using the findings of PEA studies to help inform and/or adjust programming.
- Include both a methodology and timeline for updating the initial PEA study in the initial research plan to ensure it remains a dynamic tool that is useful at each stage of the programme cycle. The frequency of updates will depend on how quickly the context is changing, but generally quarterly or 6-monthly updates are beneficial. Where possible, integrate the updates with the programme's Monitoring and Evaluation (M&E) system and data collection plan.



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## 1. Introduction

Actors in international development increasingly seek evidence-based research to inform the design, implementation and evaluation of their programmes. Political economy analysis (PEA) is one research approach that donors and their Implementing Partners find useful in supporting their decision-making, given its focus on understanding the political realities that facilitate and constrain programming.

Integrity conducts PEA studies in fragile and conflict-affected states in the Middle East, Asia and Africa, with prominent programmes active in Syria, Pakistan, and the Democratic Republic of Congo (DRC). Based on these experiences, this paper aims to outline a practical approach to conducting field-based PEA research, using the DRC as a case study. The paper is structured as follows:

- The remainder of this section provides perspectives on the utility and applicability of PEA in a fragile state context such as the DRC;
- Section 3 presents detailed lessons on how to design research tools, assemble research teams, and gather data;
- Section 4 provides recommendations on how to incorporate these lessons into the design of PEA studies.

### 1.1 Why PEA?

While PEA has several definitions<sup>1</sup>, its primary focus is on understanding the 'rules of the game' in a given context (structural diagnostic) and the main actors that drive the game forward (agency diagnostic). These two levels of analysis encapsulate the formal and informal institutions and norms that shape power relations, as well as the incentives and

constraints faced by different actors (individuals or groups) in shaping outcomes. As noted by the OECD-DAC, "political economy analysis is concerned with the interaction of political and economic processes in a society: the distribution of power and wealth between different groups and individuals, and the processes that create, sustain and transform these relationships over time."<sup>2</sup>

There are several ways to approach PEA research. As an example, the World Bank (WB) have developed a problem-driven PEA approach, which acknowledges that political incentives and technocratic approaches to development are often at odds with one another. The WB offers a methodology to help "identify what policy responses and strategies are most likely to work for addressing difficult and persistent development challenges."<sup>3</sup> This approach is particularly helpful for directly informing programmatic decision-making by Implementing Partners, whereas donors may rely more on macro-level PEA to inform the design of future programmes.

PEA is only as useful as the manner in which development actors use it to inform programming. The United Nations Development Programme (UNDP) notes that the DAC definition "recognizes that

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power is essentially about relationships - between the state, social groups and individuals, or between the state, market forces and civil society. Unless we as development practitioners understand those relationships and the processes that change them, we will not be as effective in supporting the building of responsive, legitimate and resilient states."<sup>4</sup> Similarly, the UK Department for International Development (DFID) notes that PEA can "contribute to better results by identifying where the main opportunities and barriers for policy reform exist and how donors can use their programming and influencing

tools to promote positive change.”<sup>5</sup>

While donors recognise the general utility of PEA, it is important that studies be appropriately adapted to the specific research environment in order to yield results that are explicitly evidence-based. This paper takes the DRC as a case study on how to design a fieldwork-based PEA research process and draw lessons for future studies.

## 1.2 Context: Applicability of PEA in the DRC

Integrity has found PEA to be a particularly useful tool in the DRC context where, as in other fragile states, there is an abundance of informal and relationship-based political and economic networks. PEA, when done well, analyses how these informal networks mobilise to achieve desired outcomes, often through bypassing formal rules and structures. This is useful to donors because development programming in the Congolese context must be informed by actual, rather than only formal or legal, decision-making procedures at the national, provincial and local levels in order to maximise impact (*de facto* versus *de jure* authority). The development of these informal dynamics can be explained in large part by the DRC’s history of colonialism, followed by post-independence authoritarianism and recent protracted armed conflict.<sup>6</sup>

An understanding of how political and economic power networks have developed throughout each period of Congolese history is essential background to undertaking PEA in the DRC. A typical context analysis will include a contemporary list of influential political, economic and military actors, however PEA focuses specifically on the relationships and history between these actors, while exploring their inherent fluidity. PEA can also reveal the ways in which people, whether individuals or groups, benefit from systems that may seem irrational or inefficient, and that these systems are constantly changing, producing new ‘winners or losers’ over time.

PEA in DRC, and other fragile contexts, can therefore be useful to donors as it allows for a better understanding of who makes decisions that may affect the success of different projects and why (based on their incentives and constraints). Development programming in the DRC is affected by and affects politics, therefore understanding the political dimension of decision-making is often crucial to achieving impact. While PEA itself cannot provide direct answers to programming challenges, it can contribute to greater understanding of how and why blockages occur, and which actors and institutions are most able to affect the implementation of programmes in areas ranging from private sector development to peace and stabilisation initiatives.

Integrity’s approach to PEA in the DRC is based on the following set of assumptions:<sup>7</sup>

- Sustainable, long-term development in DRC requires a change in power relations and/or incentive systems. We expect actors to support changes in the socio-economic and political order only when it does not overly threaten their own privileges.
- PEA focuses on the logic of political survival. Those in power must often (but not always) reward those who put them there before they can reward anyone else (system of neo-patrimonialism).
- All actors in society have a range of interests and incentives. Rather than assume that everyone in society is in favour of development, PEA assumes that some actors, including state officials involved in donor-funded projects, are incentivised in ways that potentially create conflict between their private and public interests.
- The vast majority of stakeholders in society also face constraints, and having an incentive to do something does not equate to an ability to act upon it. Rules, both formal and informal, shape actors’ ability to act on their incentives.

## 2. Lessons on Research Methodology

Since 2013, Integrity has conducted a number of PEA studies on different sectors (political governance and elections, education and health), with fieldwork conducted in various (former) provinces (Kinshasa, South Kivu, Katanga, Kasai Occidental and Oriental, and Equateur) in the DRC for programmes funded by DFID and the Swiss Agency for Development and Cooperation. The DRC presents a challenging research environment, due to the difficulties of accessing locations outside of urban centres (largely provincial capitals) and on-going incidences of conflict in different areas that impede research from being undertaken. Although there is no 'one size fits all' method for conducting PEA studies in DRC, this section presents lessons from each part of the research cycle that can inform future best practice.<sup>8</sup>

### 2.1 Research Design

PEA research will be more successful if there is a clear vision of the purpose and scope of the study and the agency commissioning the research is able to engage substantively with the researchers in the design stage. Given the iterative, flexible nature of PEA in fragile states, communication between the

research team and the agency should be established early on but also continue throughout the research process. Where possible, the research plan and questionnaires should also be presented to experts that are external to the research process yet who are familiar with the context, in order to obtain objective input on their validity.

be both thoroughly planned and flexible. Researchers must be comfortable with an ever-changing environment that often requires adapting research tools and instruments throughout the process of conducting field research. A minimum of two weeks on the ground is needed where significant primary research is required, with contingency days built in to accommodate unforeseen delays. It may be useful to plan for additional time for any national researchers that are involved to follow up with any unplanned interviews in the field after international researcher has left.

A number of horizontal and vertical inequalities and social structure dynamics are important in a PEA. Based on preliminary desk research, specific priorities should be identified and questions that relate specifically to those structural dynamics should be built into the research design, and therefore weaved into the research process. Mainstreaming horizontal inequalities such as gender dynamics has proven to be more effective than including it only as a stand-alone component. Where possible, the research design should be guided by the inputs of a gender specialist, particularly if the researchers do not have a background in this field.

While it is tempting to produce an all-encompassing report, the narrower the scope of the research de-

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sign, the better (while still keeping a broad remit). A narrower scope, which could be driven by a specific question or problem identified by the agency commissioning the research, will increase the potential for the PEA findings to be translated into recommendations that can be applied in practice to programmes and strategy. By focusing on one research

It is crucial that the research design for a PEA study



topic, it is possible to map a wider range of networks or actors involved in decision-making within that sector or location. This is especially important in a country as geographically expansive and diverse as the DRC (which also has cost implications when conducting large studies).

## 2.2 Research Methods

As a qualitative method, PEA relies on gathering data from as wide a variety of sources as possible, thereby allowing for triangulation of information for validation purposes. This is particularly important in a fragile state context where discourses and narratives are often polarised, information is fragmented, inconsistent, and misinformation and rumours are rife. Information will be more reliable if it is triangulated through multiple sources that have different functions and incentives within the political economy landscape.

During primary field research, ensuring confidentiality while collecting data is essential given the sensitive nature of the topics being researched, but also to allow respondents to share information more freely. Key considerations include the choice of location (some respondents are less able to travel or feel comfortable in certain environments) and timing (avoiding conflict with work or household chores) of discussions with respondents, as well as the way the discussion is introduced (making explicit what confidentiality means).

As mentioned in the section above, it is important to tailor questions to the respondents bearing in mind both horizontal (e.g. gender) as well as vertical inequalities. A nuanced analysis of gender relations goes beyond 'women's issues' and women's partici-

pation in formal processes and institutions. PEA should explore the different ways in which horizontally unequal groups experience political and economic spheres, and access power.

Researchers have noted that **key informant interviews** are by far the most useful method for collecting data for PEA studies. Respondents tend to speak more freely in a one-to-one setting, and a series of such interviews may expose a broader range of perspectives and potentially highlight where data is conflicting or contradictory. Semi-structured interviews can be a useful approach ensuring unanticipated findings are fed into the evidence base. In the DRC context, researchers have found that respondents are willing to be interviewed, often at length (sometimes two to three hours), and to recommend other potential interviewees. Snowballing interview techniques can therefore be used quite effectively to trace chains of decision-making and to map wider networks. Speaking to people who are one-step removed from

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the sector being studied is also a useful technique, as senior politicians or military actors are unlikely to directly provide information of a more sensitive nature that is required to inform

the PEA (often an interesting finding of itself).

**Focus group discussions** are another tool used in PEA research, however with mixed results. The key benefit of conducting a focus group is seeing how a group of people react to each other, and to other individuals who are not present. This can reveal a lot about relationships and how the influence of different figures is perceived. Focus groups are most effective when conducted with members of civil society, rather than political or military figures who do

not tend to respond well to the format. Due to established hierarchies, government officials tend to prefer private meetings, which are more conducive to garnering sensitive information, whereas civil society members are more willing to share information in a group setting. In addition to ensuring women are included in civil society focus group discussions, women-only focus groups can be useful; it is important to take care to establish a comfortable and confidential environment, and where necessary ensuring the community understand and accepts the exclusion of men in the discussion. Selection bias is an issue, so focus groups should be seen as a useful complement to key informant interviews, rather than a main source for gathering data.

Obtaining **biographical data** is useful and oftentimes necessary for completing a PEA study. In order to understand how relationships form and dissolve between different actors, it is important to know as many details as possible about their personal history and perception of major events in the lives of other people (to allow for future triangulation). There is no scientific approach to gathering this data, but it requires incorporating detailed biographical questions into the research plan and, most importantly, building an appropriate rapport with the individual in question before and during the interview itself.

## 2.3 Research Team

Having a mixed research team, with at least one international and one national researcher (depending on the scope of the study), is highly beneficial, especially when each member has a specialised role. Ideally, both international and national researchers will have an existing network of contacts in the context to be studied.

National researchers are uniquely able to provide a detailed understanding of the local cultural context *vis-à-vis* accepted practices around how interviews and focus group discussions are conducted, in addition to gathering data and helping to refine the re-

search tools. International researchers bring expertise in conducting PEA, sometimes in other contexts, and may be able to more objectively assess the political economy dynamics at play. They may also have greater insight into what the donor who has commissioned the PEA is looking for when it comes to research findings, and the larger outcomes they are looking to achieve through programming.

International researchers are often better placed to gain access to key political figures, however working with a national researcher also enables access to a wider pool of potential respondents, especially when they come from the area and can rely on their own contacts and networks. The ability to speak several national and local languages is also an essential skill set.

## 2.4 Audience and Dissemination Plan

PEA should, in theory, produce dynamic rather than static research outputs that must be updated on a regular basis to reflect the changing political economy landscape. As noted by the Institute of Development Studies, “a proper PEA needs updating to reflect changing factors in the development context.”<sup>9</sup> Feedback loops must be created whereby the findings of the PEA studies can input into and inform the Theory of Change for a given project or programme on an on-going basis. If this is done regularly for a given period of time, it is also possible to qualitatively track longitudinal changes (or lack thereof) to the political economy of a sector or location.

Before undertaking a study, it is important to develop a dissemination plan (often only among donors and key service providers, as the bulk of findings are kept confidential) and to have a clear understanding of how the audience for the study intends to use the research. A broad scope of research will likely lead to a correspondingly broad use, enabling donors to understand how the changing context affects or may affect programme outcomes. The map-

ping of networks comprising influential national and international actors may inform broader joint donor programme or communication strategies, at the country or regional level. Not all PEA findings will lend themselves to specific programme recommendations, however with a narrower scope, such as one that is problem-driven, a PEA may be more successful at enabling donors to make substantive changes to a particular project or programme.

One useful approach is to undertake PEA studies roughly every six months, allowing the donor to build up in-house knowledge and facilitate knowledge transfer during periods of staff turnover. The first study should be as comprehensive as possible, possibly with the explicit aim of creating a baseline, followed by studies that focus on what has changed (for instance by conducting tracer interviews with previous participants). The follow-up research is therefore less likely to be very costly or time-consuming, as it builds on a pre-existing research design.

## 2.5 Main Challenges

A key challenge in conducting PEA studies is the sensitive nature of the research and the questions being asked. As noted above, mixed teams are very beneficial when conducting PEA research, however, it is often challenging for national researchers to be involved in interviews that are politically sensitive and which may affect their ability to conduct research in that sector or location in the future. It can be similarly challenging for international researchers, who want to maintain their neutrality when it comes to conducting future research. This is a powerful argument for keeping PEA studies confidential, and for protecting the identity of researchers by not naming them on the final output.

Another challenge is that obtaining primary docu-

mentation in a context like the DRC can be very difficult, especially government documents at the local and provincial levels (and oftentimes at the national level as well). Conducting extensive fieldwork in the target location to gather documentation is a potential mitigating factor, as government officials and other key actors are often willing to share hard copies of reports, minutes, and more. As noted above, data from key informant interviews and focus group discussions requires significant triangulation to confirm its validity.

Ultimately, the most critical challenge remains translating the new understanding of the contextual realities provided by PEA into programmatic decisions. PEA studies often expose complex challenges and potential obstacles to the success of development programmes. Shadowy informal power networks may benefit a few influential actors and incentives

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may be structured in contradiction to donor agency objectives. Rather than deterring development agencies from investing in a context dominated by such systems, the acquired knowledge

needs to be transformed into concrete recommendations and actions that will anticipate and navigate obstacles and promote positive change in the context. PEA can guide decisions in redirecting development projects that only attempt to address the consequences of the current ‘rules of the game’ towards realistic objectives that can impact the underlying causes of underperformance. PEA can also inform more targeted advocacy initiatives and approaches that allow for the empowerment of reform-minded actors.

## 3. Recommendations

This paper has explored how and why understanding political economy dynamics can be useful to donor programming in a fragile state context such as

the DRC. To summarise our findings, we recommend adopting the following steps, tailoring each one to the context and topic at hand:

- Create a research plan in consultation with the agency requesting the study to ensure it aligns with specific questions they have regarding their programming (including linking the research to existing Theories of Change and logframes).
- Submit the research plan, including detailed information about the chosen methods, to experts that are external to the research process to provide quality assurance on the applicability and relevance of the research questions and tools.
- Carefully select the most appropriate research methods for researching the sector/province at hand, focusing particularly on key informant interviews with actors that are in a position to influence political and economic outcomes.
- Assemble teams comprising both international and national researchers in order to broaden access to research participants and encourage mutual learning regarding PEA research design that is both rigorous and sensitive to context.
- Create a dissemination plan as part of the research design process. This will help ensure that one of the outcomes of the research is a concrete strategy for using the findings of PEA studies, for example to help inform and/or adjust the Theory of Change and logframes for different programmes and projects, and the donor's general operating principles.
- Include both a methodology and timeline for updating the initial PEA study in the initial research plan to ensure it remains a dynamic tool that is useful at each stage of the programme cycle. The frequency of updates will depend on how quickly the context is changing, but generally quarterly or 6-monthly updates are beneficial. Where possible, integrate the updates with the programme's Monitoring and Evaluation (M&E) system and data collection plan.

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While these recommendations are not comprehensive, they present a tested approach towards conducting PEA studies that are driven by field research across various locations in the DRC. Although PEA cannot answer all of the questions that donors will have about the dynamics of operating in a context such as the DRC, it can provide illuminating research on the potential threats to their programming, as well as the key windows of opportunity that can help maximise impact. Integrity is committed to further exploring how to improve research methodologies for conducting evidence-based PEA studies across the regions in which we operate.

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<sup>1</sup>For a useful overview of PEA and development management, see: Copestake, J. and Williams, R. (2012) Political economy analysis, aid effectiveness and the art of development management. Working Paper. Centre for Development Studies, University of Bath.

<sup>2</sup>Widely accepted definition drawn from the OECD Development Assistance Committee (DAC).

<sup>3</sup>Fritz, Verena, Brian Levy, and Rachel Ort. 2014. Problem Driven Political Economy Analysis: The World Bank's Experience. Directions in Development. Washington, DC: World Bank, p.2

<sup>4</sup> Institutional and Context Analysis – Guidance Note

<sup>5</sup> DFID Political Economy Analysis How To Note

<sup>6</sup> Georges Nzongola-Ntalaja. The Congo from Leopold to Kabila: A People's History. London: Zed Books, 2002; Gérard Prunier, Africa's world war: Congo, the Rwandan genocide, and the making of a continental catastrophe. Oxford: Oxford University Press, 2009.

<sup>7</sup> Adapted from the general assumptions listed in UNDP's *Institutional and Context Analysis Guidance Note*.

<sup>8</sup> Lessons presented are based on Integrity researchers' interviews for PEA studies across various parts of the DRC, including Kasai Occidental, South Kivu, Equateur and Kinshasa in 2013 and 2014.

<sup>9</sup> Practice guide: A Combined Approach to Political Economy and Power Analysis, May 2013



## Useful Links

[Overseas Development Institute \(ODI\), Applied political economy analysis: five practical issues, January 2013](#)

[The Policy Practice Ltd, Political Economy Analysis – Selected Readings, February 2012](#)

[EuropeAid Capacity4Dev, Country-level political economy analysis, October 2011](#)

[GSDRC, Tools for Political Economy Analysis](#)

[UNDP, Institutional and Context Analysis Guidance Note, 2012](#)

[African Development Bank, Regional Department Centre,](#)

## Further Information

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## Acknowledgements

Integrity would like to thank the following individuals for sharing their knowledge and insights on conducting PEA in the DRC: Guillaume Lacaille, Steve Hege, Sarah von Billerbeck and Luisa Ryan.



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